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**SOUTHERN CALIFORNIA LEADERS URGE PRESERVATION
OF TRANSPORTATION FUNDING AT STATE CAPITOL**

SACRAMENTO, D.C – Transportation leaders representing the six-county Southern California Association of Governments (SCAG) region met with state lawmakers this week, urging them to address a looming transportation funding crisis that would be made worse by proposed state funding reductions.

“We brought to the Legislature a strong message that diverting transportation dollars to help close the budget gap could have major short- and long-term consequences for our region,” said Brea city council member and SCAG president Bev Perry. “I feel encouraged coming out of our meetings that the legislature and the administration recognize and understand the dilemma we face. While no firm commitments were made today, they are doing everything possible to address the situation.”

Since 2001, \$2.2 billion designated for the Traffic Congestion Relief Program (TCRP) created by Proposition 42 has been diverted back to the General Fund for reducing the deficit. The governor’s budget submitted earlier this year proposed \$3.8 billion in spending reductions for this fiscal year, with nearly one-third of the cuts coming from the transportation arena. Due to declining gas tax revenues and previous funding shifts from transportation to the state’s general fund, the state has already delayed, reduced or eliminated funding for numerous transportation improvements. If the cuts and revenue reallocations proposed by the Governor are implemented, an additional \$2 billion in transportation funds would be lost. The proposed state reductions could also prevent Southern California from meeting federal air quality standards. Such a scenario could trigger a significant domino in which Southern California could see up to \$8 billion in federal transportation dollars withheld from region, bringing congestion relief efforts to a virtual halt.

“We are working hard to get the state to recognize that a lack of investment in our critical infrastructure needs will only exacerbate our traffic problems and our ability to move goods in and out of our region,” said Ron Roberts, Temecula city councilmember, SCAG’s first vice president and Riverside County Transportation Commission (RCTC) past chair. “In large part, Southern California’s economy is based on our ability to move goods. But, if we don’t continue making the investments needed in our infrastructure, the regional economy will suffer, and the state and national economies will take a hit as well. This goes beyond merely addressing traffic congestion.”

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The SCAG delegation was represented by:

- Bev Perry, Brea city council member and current SCAG president
- Ron Roberts, Temecula city council member and incoming SCAG president
- Ron Bates, Los Alamitos city council member and past SCAG president
- Mark Pisano, SCAG executive director
- Jim Gosnell, SCAG Deputy executive director
- Don Rhodes, SCAG government affairs manager

The SCAG delegation raised several options for the state leaders to consider, including the replenishment of Proposition 42 funds with \$1 billion from the recently approved \$15 billion State Economic Recovery Bond. Other options would include amending the state constitution to remove provisions allowing for the diversion of Proposition 42 funds; employing either a state or regional motor vehicle user fee for transportation; facilitating the development of regional revenue-based projects; or legislation enabling greater use of design-build methods for infrastructure development.

The group met with a number of the state legislators and transportation leaders at the Capitol during their trip to Sacramento this week, including:

- Secretary of Business, Transportation and Housing Sunne McPeak
- Acting Director of Caltrans Tony Harris
- Deputy Secretary for Transportation John Ferrara
- State Senator Betty Karnette
- State Senator Dennis Hollingsworth
- State Senator Dick Ackerman
- State Assembly Transportation Committee Chair Jenny Oropeza
- State Assemblymember John Longville
- State Assemblymember George Nakano
- State Assemblymember Mark Ridley-Thomas
- State Assemblymember Jackie Goldberg
- State Assemblymember Lloyd Levine
- State Assemblymember Ron Calderon
- Staff for Senate President John Burton, Senator Joe Dunn, Senator Tom Torlakson, Assembly Speaker Fabian Nunez, Assembly Minority Leader Kevin McCarthy, and Assemblyman Keith Richman.
- California Council of Governments Executive Director Rusty Selix

For more information about SCAG's legislative program, please call SCAG Manager of Government Affairs Don Rhodes at 213/236-1840.